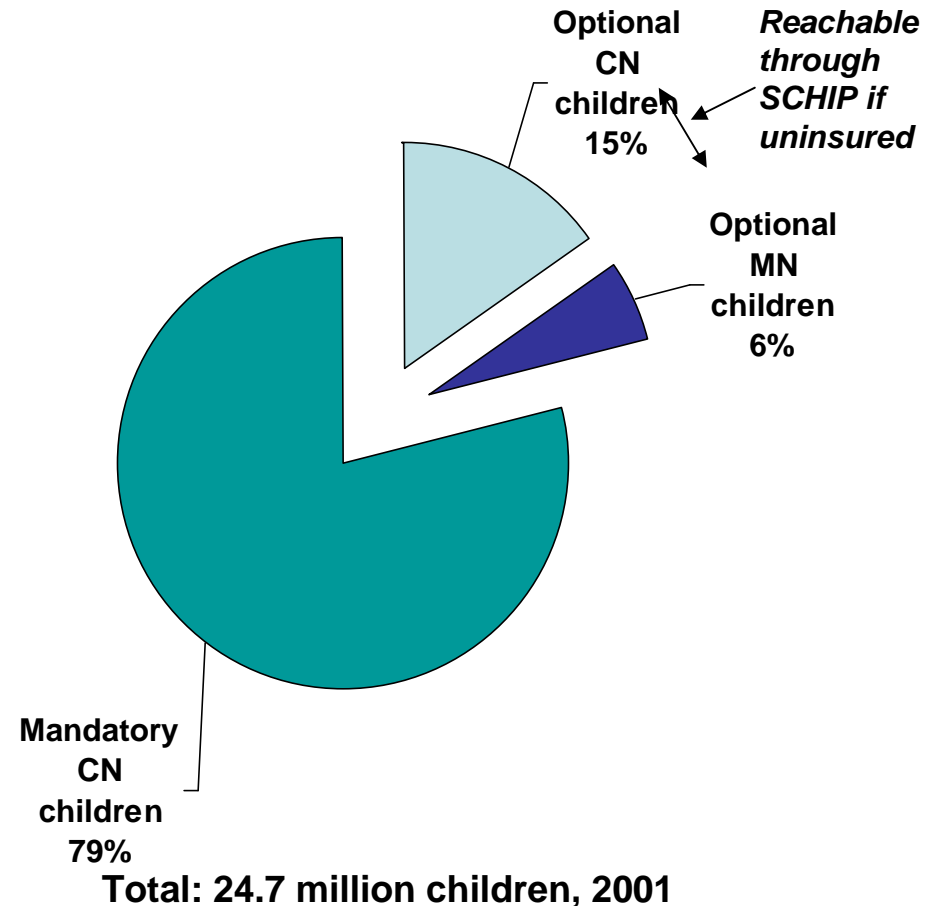


**Benefits and Coverage:
Medicaid and Separately
Administered SCHIP Programs**

Sara Rosenbaum

EPSDT as the Coverage Standard for Nearly All Medicaid-Enrolled Individuals Under Age 21

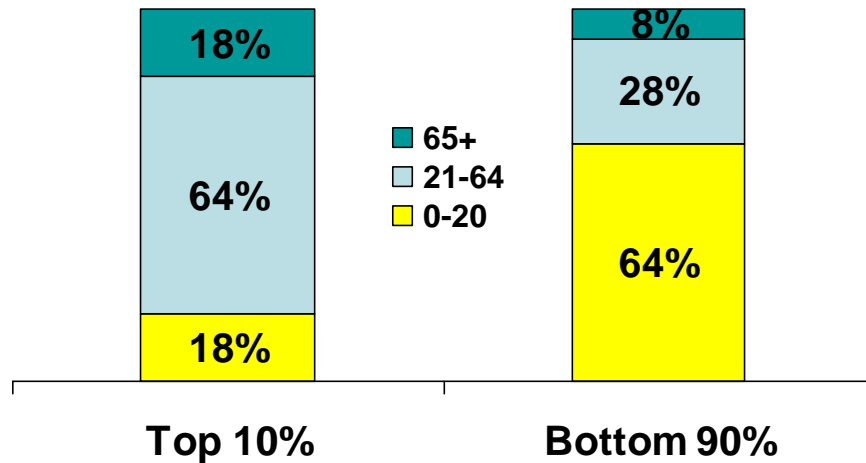
- Required for all mandatory and optional categorically needy children in regular Medicaid or SCHIP-funded Medicaid expansion
- **Optional** for medically needy children
- **No change post- DRA**



Source: Sommers A, Ghosh A, & Rousseau D. Medicaid Enrollment and Spending by "Mandatory" and "Optional" Eligibility and Benefit Categories. KFF. June 2005.

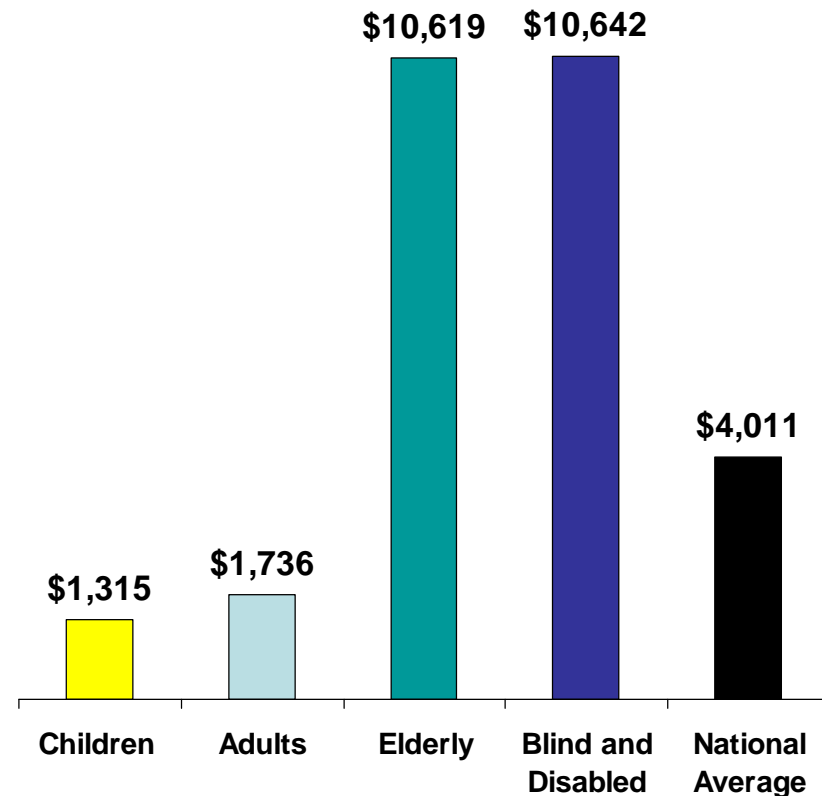
Costs of Coverage under EPSDT

Only 18% of Medicaid High Cost Cases are Children



Source: Schneider A, Lambrew J, & Shanouda Y. Medicaid Cost-Containment: The Reality of High-Cost Cases. Center for American Progress. 2005.

Per Capita Medicaid Spending on Children is Low



Source: Kaiser Family Foundation, statehealthfacts.org (accessed August 26, 2005)

EPSDT and SCHIP Coverage Standards: Impact of DRA

EPSDT

- Detailed screens to assess growth and development
- Vision, dental and hearing required
- Detailed diagnosis and treatment services as “medically necessary”
- “Preventive” and developmental standard of medical necessity – “early” and “ameliorate” tests
- Cost-sharing prohibited (< 18)

SCHIP

- “Well-child” care
- Vision, dental and hearing optional
- “Actuarial” benchmark benefit design, with limitations and exclusions permitted
- Insurer-designed medical necessity definitions
- Cost-sharing permitted within limits

DRA

- “benchmark or benchmark-equivalent coverage
- EPSDT benefits as “wrap-around” (tiered benefit)
- SCHIP-like cost sharing with continued poverty protections

EPSDT Wrap-around Issues

- Think of EPSDT post DRA as a “tiered” benefit”
 - Reframing EPSDT benefit design as “benchmark” plus “supplement”
 - Role of developmental assessment
 - How to preserve the EPSDT medical necessity test at all coverage tiers
 - Creating “developmental” utilization management techniques and quality performance measures for both healthy children and children whose assessments identify special needs